

Members

Sen. Thomas Wyss, Chairperson
Sen. Allen Paul
Sen. David Ford
Sen. Glenn Howard
Sen. Mark Blade
Sen. Timothy Lanane
Rep. Win Moses, Vice-Chairperson
Rep. David Crooks
Rep. Jonathan Weinzapfel
Rep. Dean Mock
Rep. Michael Smith
Rep. Eric Turner



INTERIM STUDY COMMITTEE ON PUBLIC SAFETY ISSUES

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MEETING MINUTES¹

Meeting Date:	September 13, 2000
Meeting Time:	10:00 A.M.
Meeting Place:	State House, 200 W. Washington St., Room 233
Meeting City:	Indianapolis, Indiana
Meeting Number:	4

Members Present: Sen. Thomas Wyss, Chairperson; Sen. David Ford; Sen. Glenn Howard; Sen. Timothy Lanane; Rep. Win Moses, Vice-Chairperson; Rep. David Crooks; Rep. Michael Smith; Rep. Eric Turner.

Members Absent: Sen. Allen Paul; Sen. Mark Blade; Rep. Jonathan Weinzapfel; Rep. Dean Mock.

Chairperson Senator Thomas Wyss called the meeting to order at 10:12 a.m. He introduced the members of the Committee and the two Legislative Services Agency staff members in attendance. He then introduced Senator James Merritt who distributed a copy of PD 3261(Exhibit A).

Senator Merritt stated that he had a long time interest in the issues facing the Bureau of Motor Vehicles, and also in the subject of uninsured motorists. For that reason, he recently called together representatives of the Indiana State Police, the Bureau of Motor Vehicles,

¹ Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.ai.org/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

the Insurance Institute, and the Legislative Services Agency to discuss that subject and propose a draft. Senator Merritt gave a breakdown of the eight sections of the bill. Among other items, it proposes to change the amount charged for reinstatement after a suspension for failure to provide proof of financial responsibility and raises the penalties for driving without financial responsibility. He acknowledged the use of insurance cards upon a stop by an officer, as in other states, but noted that the cards are only valid on the day of purchase of insurance. Senator Ford asked about the direction of all the reinstatement fees into the financial responsibility compliance verification fund. Melanie Schwartz, Deputy Director of the Bureau of Motor Vehicles, feels that extra expense will result if bureau employees are called to testify in court proceedings.

Representative Smith was concerned that an employee driving a company vehicle might incur a felony if the company had failed to have financial responsibility. Senator Ford voiced his concern about auto insurance coverage. His view is that the insurance industry should issue separate coverage for the vehicle and for the driver. Representative Smith explained that most insurance policies cover the driver when operating a vehicle not covered on the policy, and explained that there is little standard coverage - policies vary by company and in the amount of coverage sought. In reference to the News Release furnished to the Committee (Exhibit B) by Mike Chrysler of the Insurance Institute of Indiana, Senator Lanane noted that Indiana has about a 15% rate of uninsured drivers and asked what can be done to lower this number. He also asked whether people will actually pay the reinstatement fee if it is so high, or will they drive without being reinstated. Senator Merritt responded that he feels that persons who pay the reinstatement will then go and get insurance, because the reinstatement fee was so high that they will not want to pay it again. Representative Crooks agreed with his assessment.

Senator Howard is concerned that if the Indianapolis police have a ticket quota each month, persons with many tickets may not be able to get insurance on the vehicle. Representative Smith agreed with the Senator and stated that tickets raise insurance premiums.

Mike Chrysler with the Insurance Institute of Indiana spoke next. His position was that insurance cards and confiscation of vehicles, as in other states, do not work. He feels that the emphasis should be how to target and then punish those persons who choose to drive without insurance. In response to a question from Senator Lanane, Steve Williams of the Insurance Institute of Indiana stated that the Insurance Institute would embrace any idea that it thought would work. The Institute's position is that an on-line recordkeeping system when policies are dropped would do no more than harass the lawabiders - those that drive without insurance seldom ever have insurance. However, the Insurance Institute views insurance as protecting assets from litigation after a loss. Many persons without insurance have no assets to protect, so those individuals may never be a part of the system.

Both Warren Mathies and former Senator Robert Hellman appeared on behalf of the Indiana Trial Lawyers Association. Senator Hellman handed out Helpful Laws Already in Force (Exhibit C) and a three page chart showing the cost per auto of uninsured motorists claims (Exhibit D). He feels that the 40% reduction in uninsured motorists claims shows that Indiana has made marked steps in reducing claims. He believes that about \$10 is included in the cost of each auto policy to cover the cost of uninsured motorists claims. Left unanswerable was the question of whether uninsured motorists have more accidents than the insured population.

Senator Merritt suggested that police might ask individuals on traffic stops if they have insurance, in order to remind drivers of its importance. Glenna Shelby, representing the Indiana Petroleum Marketers and Convenience Store Association, furnished the

Committee with a packet, informing the Committee of other damages that uninsured motorists may cause (Exhibit E).

Representative Smith mentioned that there is at least one insurance company that will sell the exact amount of insurance that one has available for payment. Representative Crooks asked about the monies in the financial responsibility compliance verification fund. Melanie Schwartz replied that some of the funds may be used currently to upgrade the bureau's computer system to tie databases together. Susan Montgomery of the Legislative Services staff distributed a copy of a memo regarding the financial responsibility law in Utah to the Committee (Exhibit F).

There being no further business before the Committee, the meeting was adjourned at 11:35 a.m.